

Message Text

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42

ACTION PM-09

INFO OCT-01 ARA-11 ADP-00 MC-02 ACDA-19 GAC-01 OMB-01

IGA-02 AID-20 EB-11 L-03 TRSE-00 H-02 CIAE-00 INR-09

NSAE-00 RSC-01 INRE-00 SSO-00 CCO-00 RSR-01 DODE-00

/093 W

----- 033880

O 271623 Z MAR 73

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE 9195

LIMITED OFFICIAL USE CARACAS 2591

EO 11652: GDS

TAGS: MASS, VE

SUBJECT: FMS CREDIT FOR VENEZUELA

REF: FORRESTER/ AMBASSADOR MCCLINTOCK TELECON OF MARCH 27
AND DEPARTMENT TELEGRAM 55537

1. VENEZUELA WANTS AND CAN UTILIZE AT LEAST \$7.5 MILLION FMS CREDIT, THOUGH GOV HAD BEEN TOLD DIRECT FMS CREDIT FIGURE TO BE OFFERED ANNUALLY FOR NEAR TERM WOULD BE \$10 MILLION. EMBASSY DOES NOT UNDERSTAND CHANGE IN AMOUNT AT TIME WHEN LANGUAGE OF THIS YEAR'S FMS CREDIT AGREEMENT IS UNDER NEGOTIATION AND VENEZUELANS ARE AWAITING WASHINGTON RESPONSE TO THEIR LATEST PROPOSALS. EMBASSY AND MILGP HAD BEEN ANTICIPATING WORD CHANGE COUNTERPROPOSALS FROM DEPARTMENT AND DOD; THIS IS FIRST INDICATION OF REDUCTION IN FY 73 CREDIT.

2. EMBASSY WAS IN PROCESS OF ANSWERING STATE 055537 TO EFFECT THAT \$10 MILLION DIRECT FMS CREDIT IS MINIMUM FY 73 LEVEL WHICH WOULD BE POLITICALLY ACCEPTABLE. POLITICALLY, STRATEGICALLY, AS AN ADVANTAGE TO OUR BALANCE OF PAYMENTS POSITION, AND AS A BOOST TO OUR INFLUENCE WITH GOV, THE SMALL AMOUNT OF FMS CREDIT WHICH WE HAVE OFFERED TO VENEZUELA HAS MADE GOOD, LOGICAL SENSE. POLITICALLY, EXTENDING CREDIT TO AN ECONOMICALLY STRONG DEMOCRACY
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CAN BE BETTER DEFENDED THAN IN CASE OF POOR NATIONS WHICH SHOULD
AVOID HEAVY INDEBTEDNESS OR THOSE WITH TOTALITARIAN OR OLIGARCHICAL
ILLIAM M OUWENEEL

[Sensitive Information Removed Per NARA 27 JUN 2013] JESSIE G HIDALGO

000400341 MARY ELIZABETH MEADOWS

LOCAL EMPLOYEES

FROM BELM (CODE 03) TO BRASILIA (CODE 01)

[Sensitive Information Removed Per NARA 27 JUN 2013] GERTRUDES KREMLING

FROM RIO DE JANEIRO (CODE 02) TO SAO PAULO (CODE 11)

000471744 DON C PIERSON

ROUNTREE

UNCLASSIFIED

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973CARACA02591
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: CORE6
Film Number: n/a
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730339/aaaaiwp.tel
Line Count: 79
Locator: TEXT ON-LINE
Office: ACTION PM
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: FORRESTER/ AMBASSADOR MCCLINTOCK TEL, AND DEPARTMENT TELEGRAM 55537
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 26 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Nov-2001 by elbezejf>; APPROVED <06-Feb-2002 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971231
Subject: FMS CREDIT FOR VENEZUELA
TAGS: MASS, VE
To: PM
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005